

EXHIBIT A

RESOLUTION

NO. 166-2021

WHEREAS, in or about 1939, the City of Chester (the "City") organized the Chester Municipal Authority under the Municipality Authorities Act (the "MAA"), which entity is now known as the Chester Water Authority (the "Authority"); and

WHEREAS, litigation is ongoing regarding to the City's interest in the water system currently run by the Chester Water Authority (the "System") and the City has determined that it is in the City's best interest to sell the System conditioned upon a resolution of the legal dispute over the rights of the City under the Municipality Authorities Act (the "Litigation"); and

WHEREAS, in furtherance of the City's desire to sell the System, the City issued a request for proposals on June 12, 2019 to sell the System but, due to the Litigation and out of an abundance of caution, all six proposals received were returned to the offerors without having been opened, other than to identify the person to whom they should be returned; and

WHEREAS, the Delaware County Court of Common Pleas on February 3, 2020, entered an order that permitted the City's issuance of a request for proposals (the "RFP") and allowed the City to undertake a bid process to sell the System (the "Assets Sale"), provided that, after such process, the consummation of any agreement to sell the System or other transaction, if any, is conditioned upon a resolution of the Litigation that affirms the City's right to take back the System assets and to sell the System; and

WHEREAS, the City issued a second request for proposals on February 12, 2020, to solicit bids from interested companies and entities to purchase the System; and

WHEREAS, in response to the February 12, 2020 RFP, the City received three (3) responses and, after the opportunity to review the bids submitted, the City has determined that Aqua Pennsylvania, Inc. ("Aqua") has submitted a bid that is in the best interest of the City and offers the greatest value to the City, as determined by the Mayor and City Council in consultation with the City's financial advisor; and

WHEREAS, in July, 1995 the City was placed into Act 47 status; and

WHEREAS, on April 13, 2020, Governor Wolf declared a fiscal emergency for the City; and

WHEREAS, on June 22, 2020, Michael Doweary was named Receiver for the City; and

WHEREAS, on August 20, 2020, the Receiver filed an Initial Recovery Plan which was approved by Commonwealth Court on October 19, 2020; and

WHEREAS, on April 7, 2021, the Receiver filed an Amended Recovery Plan with the Commonwealth Court (“the Amended Plan”), which was approved by the Commonwealth Court on June 7, 2021; and

WHEREAS, in the Amended Plan the Receiver:

- 1) directed the City to continue the Litigation to establish its right to take back the System assets and sell the assets;
- 2) authorized the City to continue with the RFP process (in compliance with any Court Order); and
- 3) authorized the City to continue to consult with its counsel and financial advisor regarding the best approach to monetizing the water system; and

WHEREAS, on September 16, 2021 the en banc Commonwealth Court issued an Order and Opinion confirming that the City has the unilateral right to take back the assets of the Authority; and

WHEREAS, on September 23, 2021 the Receiver issued a public statement in part specifically declaring that the City “must monetize the water system”; and

WHEREAS, because the City has determined that it is in the best interests of the City to sell the System to Aqua on the terms set forth in Aqua’s bid, upon approval by the Receiver the City intends to execute and deliver an Asset Purchase Agreement (the “APA”), the consummation of which is contingent upon the resolution of the Litigation on terms that affirm the City’s rights asserted under the MAA; and

WHEREAS, under the APA, the City will transfer to Aqua the assets of the System through the execution and delivery of all necessary and required bills of sale, instruments of assignment, consents to transfer, deeds, and other agreements, documents, and instruments of conveyance; and

WHEREAS, the City will pass on all System and billing information, and any rights of the City in connection therewith, to Aqua and cooperate with Aqua as is required for the continued operation of the System.

NOW, THEREFORE, the City Council of the City of Chester resolves as follows:

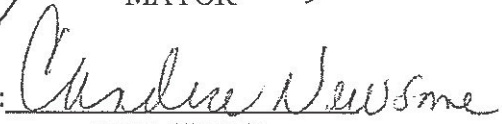
1. It is the intent of the City Council of the City of Chester to promptly enter into an APA with Aqua Pennsylvania, Inc., upon receipt of the Receiver’s approval to do so; and
2. The City Council of the City of Chester requests the Receiver to expeditiously provide his approval for City Council to do so.

Effective Date

This Resolution shall take effect and be in force immediately.

WE HEREBY CERTIFY that this Resolution passed Council this 13th day of
October, A.D. 2021.


MAYOR

Attest: 
CITY CLERK